New Industries in States

2921. SHRI RAMDAS AGARWAL: Will the Minister of COMMERCE AND INDUSTRY be pleased to state;

(a) what facilities are being provided by Government to State Governments for setting up the new industries in various States;

(b) whether these facilities are sufficient for encouraging the industrialists to face the new competitive global challenges and for putting the Indian economy on the recovery path with a sustained 8 per cent growth rate as envisaged in the Tenth Plan;

(c) if not, what steps are proposed to be taken in this regard; and

(d) whether Government propose to formulate any concrete new industrial policy to alleviate the country from present industrial slowdown situation?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (d) Industrial Development including setting up of new industries in various States is primarily the responsibility of the State Governments concerned. For supplementing their efforts, the Central Government provides incentives under various schemes operated by it, such as Central Capital Investment subsidy Scheme—North Eastern Region (NER), Central Interest Subsidy Scheme—NER, Central Comprehensive Insurance Scheme—NER, Transport Subsidy Scheme to promote industries in remote, hilly and backward areas of the Country, Growth Centre Scheme to promote industrialization in backward areas; Integrated Infrastructure Development Scheme for development of small scale industries in industrially backward areas and the scheme of income tax benefits for setting up of industrial parkslindustrial model towns.

Initiatives taken recently to alleviate the present industrial slowdown situation in the country include, increase in the public spending out of current budgetary allocation, lowering of the interest rate for boosting liquidity, announcement of incentives for removal of

infrastructure bottlenecks, launching of the Golden Quadrilateral Project and Pradhan Mantri Gramin Sadak Yojana etc.

Rehabilitation of closed PSC employees

2922. SHRIMATI S.G. INDIRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the steps being taken by the Government to rehabilitate the various persons rendered jobless by the closure of various Public Sector Companies;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (c) It has been the constant endeavour of the Government to safeguard the interest of the employees of Central Public Sector Undertakings (CPSUs), who opt out on Voluntary Retirement Scheme (VRS) or become redundant due to restructuring of the enterprises. A modified VRS for the employees of CPSUs has been introduced *vide* Department of Public Enterprises (DPE) notification dated 5.5.2000. In order to further safeguard the interest of the workers of sick and loss making PSUs, particularly those where wage revision has not been effected after 1.1.1987 or 1.1.1992, as the case may be, the compensation package has been enhanced by 100% and 50% respectively. The compensation of retrenched employees is governed under the Industrial Dispute Act, further liberalization of whose provisions are being examined by the Ministry of Labour.

Further, in pursuance of the Industrial Policy of the Government, to provide a safety net to the employees of the organized sector, a National Renewal Fund (NRF) was set up by the Government in February, 1992. Government has been providing fund from NRF, for meeting expenses towards voluntary retirement of employees of CPSUs as also for rehabilitation of the employees of the organized